#### REMARKS

Claims 1-8 remain pending after amendment.

#### Claim Amendments

Claims 1, 5 and 6 are amended to clarify the invention. No new matter is added by this amendment.

# Rejection under 35 USC 112 (paragraph two)

Claims 1-4 stand rejected under 35 USC 112 (paragraph two) as not distinctly claiming the invention.

In response, claim 1 is amended in a manner which is believed to overcome the rejection.

The rejection is thus moot and should be withdrawn.

# Rejection under 35 USC 102(e)

Claims 1 and 3-8 stand rejected under 35 USC 102(e) as being anticipated by Seshan U.S. Patent No. 6,686,659. This rejection respectfully is traversed to the extent deemed to apply to the claims as amended.

In response, applicants note that the Examiner considers terminals 504 as corresponding to the peripheral electrodes in applicants' claims. However, terminals 504 are floating terminals to adjust circuit characteristics and differ from the peripheral electrodes in the present invention.

Further, the '659 patent fails to disclose or suggest the limitations defined by the "wherein" clauses in claim 1. The IC disclosed in the '659 patent, as shown in Figure 6, comprises a polyimide layer 320 and a silicon nitride layer 322 between a terminal 362 and a bump 315. However, peripheral electrodes in the claimed invention reside in openings formed in the insulating layer (see amended claims 1, 5 and 6 in this regard).

The invention of claims 1 and 3-8 (as amended) is clearly not anticipated by the cited reference, and the rejection should be withdrawn.

### Rejection of Claim 2 under 35 USC 103(a)

Claim 2 stands rejected under 35 USC 103(a) as being unpatentable over Seshan in view of Arnold et al U.S. Patent No. 4,521,449. This rejection respectfully is traversed to the extent deemed to apply to the claims as amended.

The Seshan reference fails to disclose or suggest the claimed invention for the reasons noted above. The Arnold et al patent does not cure such deficiencies.

Again, while it is the Examiner's view that pads 24 of Figure 2 of the '449 patent correspond to the internal electrodes, while pads 42 correspond to the peripheral electrodes. Although the pads 24 are smaller than pads 42, there is no basis for the conclusion that

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these pads should be considered to correspond to the internal and peripheral electrodes irrespective of the respective sizes.

The rejection is thus believed to be without basis and should be withdrawn.

In view of the above, the application is believed to be in condition for allowance.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17; particularly, extension of time fees.

Respectfully submitted,

BIRCH, STEWART, KOLASCH & BIRCH, LLP

By

hn W. Bailey, #32,881

P.O. Box 747

Falls Church, VA 22040-0747

JWB/JWH/sh (703) 205-8000